



**G. THOMAS SURTEES**  
Commissioner

# State of Alabama Department of Revenue

([www.revenue.alabama.gov](http://www.revenue.alabama.gov))  
50 North Ripley Street  
Montgomery, Alabama 36132

**CYNTHIA UNDERWOOD**  
Assistant Commissioner  
**LEWIS A. EASTERLY**  
Secretary

October 6, 2005

TO: ALL PERSONS, FIRMS, AND CORPORATIONS engaged in the business of renting or furnishing any room or rooms, lodgings or accommodations to transients in the City of Homewood, Alabama, and its police jurisdiction (located in Jefferson County).

On November 22, 2004, the governing body of the City of Homewood adopted Ordinance No. 2226, increasing the rates of the City of Homewood's lodgings tax. The increased rate of lodgings tax is effective January 1, 2005, as follows:

	OLD RATE	NEW RATE
Lodgings Tax Rate .....	3%	6%

The Supreme Court of Alabama on September 30, 2005, ruled that the Homewood Ordinance No. 2226 is valid and enforceable as of its effective date of January 1, 2005, thereby reversing the January 13, 2005, Jefferson County Circuit Court ruling that the ordinance was null and void. The Notice dated January 25, 2005, mailed to affected lodgings tax account holders by the Alabama Department of Revenue regarding the Circuit Judge's Order is hereby retracted, and the original Notice dated December 20, 2004, mailed to affected lodgings tax account holders by the Alabama Department of Revenue regarding the rate increase pursuant to Ordinance No. 2226 is reinstated.

If lodgings are offered to transients outside the corporate limits of the City of Homewood but within the police jurisdiction, the rate of tax is one-half of the new rate stated above.

The Law requires that the City of Homewood taxes be collected, reported and remitted in the same manner as the State Taxes. When you file and pay electronically, the City of Homewood lodgings tax is to be included on the electronic city/county tax return assigned to you (City and County Tax Return, form 9501). Simply enter the gross receipts and deductions, and all calculations will be done automatically for you. You may file this tax online through the Internet at [www.ador.state.al.us/salestax/efiling.html](http://www.ador.state.al.us/salestax/efiling.html) or through the telephone by calling toll free 1-800-828-1727. Telephone-filers should use Locality Code 9491.

Please direct all questions regarding the City of Homewood lodgings tax to this office.

ALABAMA DEPARTMENT OF REVENUE  
Sales, Use & Business Tax Division  
P. O. Box 327710  
Montgomery, Alabama 36132-7710  
(334) 242-1490